This record is a partial extract of the original cable. The full text of the original cable is not available.

C O N F I D E N T I A L SECTION 01 OF 02 ABU DHABI 001874

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STATE PASS USTR FOR CLATANOFF, ROSENBERG LABOR FOR LEVINE, SHEA STATE FOR NEA/ARPI, DRL/IL

E.O. 12958: DECL: 04/27/2015 TAGS: <u>ELAB ETRD PHUM PREL TC</u>
SUBJECT: ILO VISITS UAE, WILL REVIEW DRAFT LABOR LAWS

Classified By: (U) Classified by Ambassador Michele J. Sison, reason 1. 4 (b) and (d).

- 1. (C) Summary: During his April 23-25 visit, the UAE Ministry of Labor presented ILO regional Middle East director Dr. Taleb Al Rafai with its draft revised labor law and draft labor union law for formal ILO review and comment in bringing UAE labor laws in line with international standards. Although the UAEG is committed to changing the labor laws Rafai noted signs of interagency disagreement, particularly with the Ministry of Justice. The UAEG remains undecided about the structure of the labor law, presenting Rafai with at least two different versions in a three day visit. The ILO has challenged the UAEG to consider extending the reach of its proposed union law to consider both foreign workers and Emiratis in the public sector. Labor U/S Khazraji noted the Ministry of Labor will be discussing the laws with the ILO again in June on the sidelines of the annual ILO convention in Geneva and will submit the laws to the Ministry of Justice after this meeting. End Summary.
- (C) Dr. Taleb Al Rafai, head of the International Labor Organization,s (ILO,s) Middle East regional office based in Beirut, visited the United Arab Emirates April 23-25 at the Minister of Labor, s invitation. During his visit, the UAEG formally presented him the draft labor law and the labor union law to review and comment upon, Rafai told Econoff. The ILO will translate the laws into English and plans to return comments to the Ministry of Labor within a month. A that time, Rafai said the ILO will share its comments with the USG and other interested parties. Rafai noted that he is encouraging the UAE to combine the two laws into one, and include the labor unions as a chapter in the overall labor Labor U/S Dr. Khalid Al Khazraji confirmed to EconChief that the ILO has received the laws and will review them. Ministry of Labor also expressed interest in receiving ILO technical assistance on bringing its laws into compliance with international norms. (Note: Rafai will be in Geneva at the end of May, and is hoping to have made substantial progress on reviewing the laws by that time. End note.)
- (C) Al Rafai is convinced that the UAEG is committed to changing its current labor code, but noted there remain interagency differences of opinion. Rafai had initially assumed that the Ministry of Interior was blocking changes to the laws, but after his visit, he now sees the Ministry of Justice as the real problem. He noted that Interior was willing to meet with him (at the U/S level), but that Ministry of Justice did not participate in any of his meetings. He also noted that he saw multiple versions of the draft labor law in his three-day visit. He said that the Ministry of Justice had added language to the union law that would permit the Minister of Labor to dissolve labor unions at his discretion. Labor had removed this clause, knowing it would be unacceptable to the ILO, but Rafai suggested it might be tactically better if Labor allowed it to stand ) which would prompt the ILO to object formally to this point. Rafai,s idea was that the ILO complaint would strengthen the Ministry of Labor, s position.
- (C) Rafai also expressed concern about whether the other emirates would buy-in to labor code changes. He noted that if the other emirates do not fully agree with the changes, then the written law would not be fully implemented. The internal discussion within the UAEG is likely to take some time, and Rafai does not see the UAEG moving forward with either the revised labor law or the union law until the end of summer at the earliest. U/S Khazraji confirmed in press reports that the UAE could expect to have unions &soon, 8but not before the ILO annual world conference in June. He stated that the Ministry of Labor would discuss the laws on the sidelines of the ILO conference in Geneva, and afterwards the Ministry of Labor will submit the laws to the Ministry of Justice for technical review.
- (C) The UAEG has resisted sharing its draft laws, both internally and externally. Rafai met with local Chambers of Commerce and professional associations in Abu Dhabi, and noted that no group had seen the laws yet. He noted that greater employer and worker participation and transparency is needed to ensure a comprehensive law with buy-in from all stake holders. He also noted the UAEG is nervous about the

ILO sharing its comments with other parties, although the ILO clearly told the UAEG that it is in their international mandate to do so.

- 16. (C) Although he hadn,t yet read the draft labor law, Rafai was certain that the draft union law does not provide labor rights to expatriate workers. The Ministry of Labor remained adamant about protecting the national population. Even professional associations, which permit some forms of foreign participation in the associations, advocate limiting foreigners from holding full rights or executive authorities in unions. Privately and in press reports, Rafai noted that the UAEG should ensure equality between the national and expatriate labor force in the country. Rafai encouraged the Ministry of Labor to consider extending union rights to the public sector, as well as the private, particularly since the majority of the UAE national workforce is in the government sector. He noted that all workers (defined as those who earn a fixed salary) should be entitled to unions. He felt that the Ministry would consider this suggestion to include the public sector.
- 17. (C) Comment: The Ministry of Labor,s invitation for the ILO to review the draft laws is a sign the UAEG is making a serious attempt to develop a labor law that meets international standards. It is clear, however, that the UAEG still needs to work internally to build full support for these changes. The Emiratis clearly feel both internal and external pressures to move forward, but will need time to build consensus and ensure adequate international standards are met in the revised laws. The UAEG is likely to wait until the conclusion of the other chapters of the FTA to enact this legislation. End comment.